



INTERNAL CONTRACTING INSTRUCTIONS OF THE COMPANY “EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., S.M.E., M.P.”

I. PURPOSE OF THE CONTRACTING INSTRUCTIONS

The purpose of these instructions is to regulate the contracting procedures of the company, EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., S.M.E., M.P., which does not have the status of contracting authority in accordance with the Revised Text of the Public Sector Contracting Act, approved by Royal Legislative Decree 3/2011, of the 14th of November (hereinafter TRLCSP). Therefore, the contracting operations of the company shall comply with the instructions, to ensure the effectiveness of the principles of publicity, competition, transparency, confidentiality, equality and non-discrimination set out in paragraph 1 of Article 192 TRLCSP and that the contract is awarded to whoever submits the most economically advantageous bid.

These instructions will be available to all those interested in participating in the procedure of award of contracts regulated by it and posted on the contractor's profile on the website www.emgrisa.es

II. SCOPE

These instructions apply to all contracts proposed by EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., S.M.E., M.P.

However, the following businesses and legal relations fall outside the scope of these instructions:

- a) contracts subjected to labour laws,
- b) agreements signed by the company with the Government and public bodies belonging thereto, provided that their purpose is not within those of the contracts regulated by the TRLCSP or special administrative rules,
- c) supply contracts relating to direct activities of the company, if the assets they deal with have been acquired for the purpose of return, with or without transformation, to the legal estate, according to their particular purpose,
- d) contracts for financial services in connection with the issuance, sale, purchase or transfer of securities or financial instruments, treasury operations and operations to secure funding or capital for the company, as well as the services provided by the Bank of Spain
- e) contracts of sale, donation, exchange, lease or other similar legal transactions on real estate, securities and intangible property, except those concerning computer programs that should be classified as supply or service contracts
- f) contracts relating to arbitration and conciliation
- g) contracts in which the company undertakes to deliver goods or rights or provide a service
- h) contracts whose purpose is the provision of educational activities in public sector facilities in the form of training or staff development courses, as well as seminars, conferences, round tables, conferences, collaborations or any other similar type of activity, provided that such activities are carried out by individuals.
- i) Any other contract or business excluded from the TRLCSP.



III. PRINCIPLES GOVERNING CONTRACTING

The award of contracts referred to in this Instruction shall be subject to the principles of publicity, competition, transparency, confidentiality, equality and non-discrimination.

a) Principles of publicity and competition

1) Publicity

The contracts that the company intends to offer will give sufficient publicity for any interested party to attend, encouraging their participation. The means of publicity to be used shall be determined in each case taking into account the value of the contract, its purpose, the geographical area thereof and the characteristics and circumstances of the sector.

The announcement of the tender, if published, shall contain at least the following information:

- 1) description of the essential characteristics of the contract and maximum amount of the tender
- 2) deadline for the submission of tenders and other phases of the process
- 3) award method and criteria
- 4) subcontracting, where appropriate
- 5) invitation to contact the contracting company.

In this case, the announcement of the tender will appear on the contractor profile page of the company website.

2) Exclusion of publicity

Contracts will not be subject to publicity, provided it is duly justified by the contracting authority:

a) When, for technical reasons imposed by the contract, for the requirement of prior approval of the contractor, or for reasons connected with protection of exclusive rights, the contract can only be awarded to a specific entrepreneur.

b) When an urgency resulting from events that are unforeseeable by the contracting authority and not attributable thereto requires prompt execution of the contract.

c) When the contract has been declared secret or confidential, or when its performance must be accompanied by special security measures in accordance with applicable law, or when required for the protection of the essential security interests of the company and this has been expressly declared and justified by the contracting authority.

d) When, in the works contracts, the works concerned are complementary and not included in the project or in the contract, but due to unforeseen circumstances, become necessary to execute the work as it was described in the project or in the contract without modification, and whose execution is entrusted to the contractor of the main work in accordance with the prices governing the original contract or which, where appropriate, are otherwise set, provided that the works cannot



be technically or economically separated from the original contract without major inconvenience to the company or which, although separable, are strictly necessary for its completion, and that the cumulative amount of the additional works does not exceed 50% of the original contract price. Other additional works not meeting the above requirements shall be subject to independent contracting.

e) When, in works contracts, these consist of the repetition of other similar ones awarded to the same contractor by the contracting authority by the procedure provided in this Instruction, provided they conform to a basic project that has been covered by the original contract awarded by this procedure, the possibility of using this method is indicated in the notice of the original contract and the value of the new work has been calculated when setting the total amount of the contract and always within three years of the conclusion of the original contract.

f) When, in supply contracts, these refer to the acquisition of movable property forming part of Spanish Historical Heritage, after their assessment by the Board of Classification, Valuation and Export of Spanish Historical Heritage Assets or body of the Autonomous Regions recognized for this purpose, which is intended for museums, archives and libraries.

g) When, in supply contracts, the products are manufactured solely for the purpose of research, experiment, study or development; this provision does not extend to mass production to establish commercial viability or to recover research and development costs.

h) When, in supply contracts, these refer to additional deliveries by the original supplier which are intended either as a partial replacement of normal supplies or installations in common use, or an extension of existing supplies or installations, if the change of supplier forces the contracting authority to acquire material with different technical characteristics, resulting in incompatibility or disproportionate technical difficulties in operation and maintenance. The length of such contracts as well as that of recurrent contracts may not, as a rule, exceed three years.

i) When, in supply contracts, these refer to the acquisition on organized markets or commodity exchanges of supplies listed therein.

j) When, in supply contracts, these refer to a supply arranged in especially advantageous conditions with a supplier definitively winding up its business, or with bankruptcy administrators, or through a settlement agreement or a similar procedure.

k) When, in service contracts, the services concerned are complementary and not included in the project or in the contract, but due to unforeseen circumstances, become necessary to execute the service as it was described in the project or contract without modification, and whose execution is entrusted to the entrepreneur to whom the main contract was awarded in accordance with the prices governing the original contract or which, where appropriate, are otherwise set, provided that the services cannot be technically or economically separated from the original contract without major inconvenience to the company or which, although separable, are strictly necessary for its completion, and that the cumulative amount of the additional services does not exceed 50% of the original contract price. Other additional services not meeting the above requirements shall be subject to independent contracting.

l) When, in service contracts, these consist of the repetition of other similar ones awarded to the same contractor by the contracting authority by the procedure provided in this Instruction,



provided they conform to a basic project that has been covered by the original contract awarded by this procedure, the possibility of using this method is indicated in the notice of the original contract and the value of new services has been calculated when setting the total amount of the contract and always within three years of the conclusion of the original contract.

m) When the service contract concerned is the result of a contest and must, under the rules applying, be awarded to the winner. If there are multiple winners, they must all be invited to participate.

n) When, due to the characteristics of the service, especially in contracts for services of an intellectual nature and those falling within category 6 of Annex II to the TRLCSP, it is not possible to establish the conditions with the precision necessary to award them by the procedure provided in this instruction.

o) In any event, when the estimated value of works contracts of less than 200,000 Euros and when that of supply and service contracts is less than 60,000 euros.

In contracting procedures in any of the publicity exclusion situations listed above is applied, it will be necessary to request offers from at least three companies qualified to achieve the purpose of the contract, whenever possible.

In any event, interested companies can obtain additional information at the address given in the last section of this Instruction.

b) Principle of transparency

This principle implies:

1) The possibility of all tenderers having prior knowledge of the rules applicable to the contract to be awarded, and being sure that these rules apply equally to all companies.

2) The determination of appropriate deadlines for the submission of tenders, which must be sufficient to enable a company to make a proper assessment, address the documentation submitted, assess the tenders and raise and formulate the award proposal. The deadlines will be set, case by case, in the tender notice.

3) Precise specification in the tender notice of the objective criteria for the assessment of tenders and award of the contract, without considering the characteristics or experience of the tenderers, or the level or characteristics of the means to be employed to execute the contract. For the assessment of proposals and determination of the most economically advantageous tender it is necessary to use criteria directly linked to the purpose of the contract that are measured by numbers or percentages obtained by the application of formulas included in the specifications, such as quality, price, period of performance or delivery of the service, cost of use, environmental characteristics or characteristics associated with the satisfaction of social needs, profitability, technical value, aesthetic and functional characteristics, availability and cost of spare parts, maintenance, technical support, after-sales service or similar. When just one award criterion is used, this will necessarily be the lowest price.



4) Clear, precise specification of the body responsible for making the award proposal and the award of the contract.

c) Principles of equality and non-discrimination

These principles involve the following requirements:

1) Non-discriminatory description of the purpose of the contract. The description must not refer to a specific make or source, or to specific brands, patents, types, origins or productions, unless such a reference is justified by the purpose of the contract and is accompanied by the words "or equivalent".

2) Equal access for economic operators in all Member States of the European Union. The contracting company must not impose any conditions involving direct or indirect discrimination against tenderers, such as the obligation for companies interested in the contract to be established in the territory of the same Member State or same region as the contractor.

3) The mutual recognition of qualifications, certificates and other diplomas. If tenderers are required to submit certificates, diplomas or other supporting documentation, documents from other Member States giving guarantees should be accepted.

4) The prohibition of providing, in a discriminatory manner, information that may give advantages to certain tenderers over the rest.

d) Principle of confidentiality

The company may not disclose any information provided by the tenderers that the latter have declared confidential. Confidentiality concerns technical or trade secrets and the confidential aspects of tenders.

Meanwhile, the contractor shall respect the confidentiality of information to which it has access during the execution of the contract which has been given that status in the contract or which, by its very nature, should be treated as such.

IV. CONTRACTING AUTHORITY

The contracting authority will be the Contracting Committee of the company, EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., unless otherwise specified in the relevant internal rules governing the establishment or operation of the company and subject to any delegation or devolution of powers that may be agreed.

V. CONTRACTOR SUITABILITY

Contractors shall be subject to the capacity requirements, contracting prohibitions and solvency regulated in Articles 54 to 60.1 and 61-79 TRLCSP. The requirement for the entrepreneur to be classified in the Official Registers of Tenderers and Classified Companies, which accredits the suitability of the entrepreneur, shall be optional for the company.



EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., S.M.E., M.P. However, classification certificates accrediting registration in official lists of entrepreneurs approved for contracting laid down by the Member States of the European Union, imply the presumption of suitability of the entrepreneurs including therein in the cases referred to in Article 84 TRLCSP.

VI. PURPOSE OF THE CONTRACT

The standards of Articles 86 and 87 TRLCSP on the purpose and price respectively are applicable.

VII. NATURE OF CONTRACTS AND JURISDICTION

The contracts entered into by the company, EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., S.M.E., M.P., always have the status of private contracts under Article 20.1 TRLCSP.

The jurisdiction for any disputes regarding the preparation, award, effects, compliance and termination of such private contracts, in accordance with Article 21.2 TRLCSP, will correspond to the civil courts.

VIII. AWARD PROCEDURE

The award of all works, service and supply contracts will be made using the procedure set out below.

a) Preparation of the contract.

All procedures will begin with a report, which will be submitted to the contracting authority, which determines the nature and extent of the needs to be covered by the proposed contract, and the adequacy of its purpose and content to meet them, the estimated cost of the contract, the existence of sufficient budget, the type of procedure proposed and the adaptation of the principle of publicity to each case.

b) Decision to contract

The Contracting Committee will make its decision on the start of the procedure.

c) Publication

The procurement notice will be published for a minimum period of ten days, unless the urgency of the procurement requires a shorter period. The announcement will appear in the Contractor Profile on the company Website.

d) Opening of Bids

Tenders or requests to participate shall be secret and the means for them to be so shall be arbitrated.



The opening and assessment of bids shall be made by the contracting authority. It may request the technical reports that are deemed relevant to the tenders submitted and, where appropriate, require companies to remedy the defects detected in the documentation submitted.

e) Award of contract

The contracting authority will award the contract to the economically most advantageous tender by reasoned decision to be notified to the candidates or tenderers and published, where appropriate, in the contractor profile of the company EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., S.M.E., M.P. In the event that no tenders have been submitted or that those submitted are unsuitable, irregular or unacceptable, the procedure will be declared void.

f) Conclusion of Contract

The contract entered into by the company, EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., S.M.E., M.P. must necessarily include the following data (see Article 26 TRLCSP):

- 1) Identification of the parties.
- 2) Proof of the capacity of the signatories to sign the contract.
- 3) Definition of the purpose of the contract.
- 4) Reference to the law applicable to the contract.
- 5) List of the documents making up the contract.
- 6) Firm price, or the method for determining it.
- 7) Duration of the contract or estimated dates for the beginning of its execution and completion and of the extension or extensions, if provided for.
- 8) Conditions for receipt, delivery or acceptance of services.
- 9) Payment terms.
- 10) Situations leading to termination.
- 11) Accounting program or heading under which the price will be paid, if applicable.
- 12) Objective and temporal extent of the duty of confidentiality, if any, imposed on the contractor.

In addition to all the award procedure described above, the tender notice approved, if any, to comply with the principle of publicity, shall be published for a minimum period of ten days, unless the urgency of the procurement requires a shorter period. In such case, the notice shall appear in the contractor profile on the company website.

IX. SMALL CONTRACTS

Small contracts for less than 50,000 Euros in the case of works contracts or 18,000 Euros in the case of other contracts may be awarded directly to any entrepreneur with capacity to act and who has the professional qualifications required to provide the service, only the approval of the expenditure, incorporation of the invoice and works budget being necessary in this kind of contract.



X. ADDRESS FOR INFORMATION REQUEST AND NOTIFICATIONS.

For any additional instructions, please contact the following address:
EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., S.M.E., M.P. Calle Conde de Peñalver,
38, 3ª Planta. 28006-Madrid.

EMPRESA PARA LA GESTIÓN DE RESIDUOS INDUSTRIALES, S.A., S.M.E., M.P.
Board of Directors